

ITEM NO 11

COUNCIL

26th February 2013

COUNCIL TAX 2013/14

1. PURPOSE AND RECOMMENDATIONS

| | |
|---------------------------|---|
| Purpose of Report: | To set the Council Tax for 2013/14 |
| Recommendations: | It is RECOMMENDED that: The Council approves the Council Tax resolutions as set out in Appendix A. |
| Lead Members: | Cllr M Duckworth - Performance |
| Contact Officer: | Dan Povey, Group Accountant Ian Milner, Head of Finance |

2. BACKGROUND

- 2.1. The provisions in this report provide the legal basis for the setting of the Council Tax and the figures used are based upon the assumptions and identified risks as set out in the report on the revenue budget to the Resources Committee on 6th February 2013. The Council must set its Council Tax by 11 March 2013.
- 2.2. This report reflects changes to the Local Government Finance Act 1992 that arise from the Localism Act 2011. The Localism Act requires billing authorities to calculate the Council Tax requirement for the coming year.
- 2.3. The precept levels of other precepting bodies have been received and these are detailed below:

3. TOWN & PARISH COUNCILS

- 3.1. The Town & Parish Council Precepts for 2013/14 are detailed in Appendix C and total £22,894. The increase in the average Band D Council Tax for Town & Parish Councils is 3.12% and results in an average Band D Council Tax figure of £13.55 for 2013/14.

4. DORSET COUNTY COUNCIL

- 4.1. Dorset County Council has set their precept level at £22,030,445. This results in a Band D Council Tax of £1,168.29.

5. DORSET POLICE AUTHORITY

- 5.1. Dorset Police Authority has set their precept level at £3,460,448. This results in a Band D Council Tax of £183.51.

6. DORSET FIRE AUTHORITY

- 6.1. Dorset Fire Authority has set their precept level at £1,232,116. This results in a Band D Council Tax of £65.34.

7. IMPLICATIONS

Corporate Plan & Council Objectives

- 7.1. The level of Council Tax recommended in this report for Christchurch Borough Council will fund the Council's Corporate Plan objectives for 2013/14.

Legal

- 7.2. There are no legal implications arising from this report.

Environmental

- 7.3. There are no environmental implications arising from this report.

Financial and Risk

- 7.4. The level of Council Tax recommended for Christchurch Borough Council in this report represents a 1.95% increase from 2012/13 and so a Band D charge will be £177.98. The level of Council Tax is based on the revenue budget estimates approved by the Resources Committee on 6th February 2013. Due to the difficult and uncertain times we are living in, and despite the thorough budget review that has taken place, changes may arise to the assumptions on which the budget is based with the subsequent impact on the cost of services. If this is the case working balances will be used.

Equalities

- 7.5. There are no equalities implications arising from this report.

8. CONCLUSION

- 8.1. The recommendations for setting the Council Tax are set out in the formal Council Tax resolution in Appendix A.
- 8.2. If the formal Council Tax resolution at Appendix A is approved, the total Band D Council Tax will be as follows:

| | 2012/13 (£) | 2013/14 (£) | Increase (%) |
|------------------------------|-----------------|-----------------|--------------|
| Christchurch Borough Council | 174.58 | 177.98 | 1.95 |
| Dorset County Council | 1,168.29 | 1,168.29 | 0.00 |
| Dorset Police Authority | 180.00 | 183.51 | 1.95 |
| Dorset Fire Authority | 60.39 | 65.34 | 8.20 |
| Town & Parish Average | 13.14 | 13.55 | 3.12 |
| Total | 1,596.40 | 1,608.67 | 0.77 |

Appendices

Appendix A – Formal Council Tax Resolutions

Appendix B – Basic Council Tax

Appendix C – Parish Precepts

Background Papers:

Budget working papers held in Financial Services.

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Appendix A

The Council is recommended to resolve as follows:

1. It be noted that on 16th January 2013 the Resources Committee calculated the Council Tax Base 2013/14
 - a. For the whole Council area as **18,857** (Item T in the formula in section 31B of the Local Government Finance Act 1992, as amended (the “Act”); and
 - b. For dwellings in those parts of its area to which a Parish precept relates as in the attached appendix C.
2. Calculate that the Council Tax requirement for the Council’s own purposes for 2013/14 (excluding parish precepts) is **£3,356,132**.
3. That the following amounts be calculated for the year 2013/14 in accordance with Sections 31 to 36 of the Act:
 - a. **£35,878,368** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
 - b. **£32,499,342** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - c. **£3,379,026** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
 - d. **£179.19** being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of Council Tax for the year (including parish precepts). Appendix B details Basic Council Tax by Parish Council.

- e. **£22,894** being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix C).
- f. **£177.98** being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(s) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no parish precept relates.

4. To note that the County Council, the Police Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2013/14 for each part of its area and for each of the categories of dwellings.

Precepts Issued By Major Precepting Authorities:

| | A £ | B £ | C £ | D £ | E £ | F £ | G £ | H £ |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Dorset County Council | 778.86 | 908.67 | 1,038.48 | 1,168.29 | 1,427.91 | 1,687.53 | 1,947.15 | 2,336.58 |
| Dorset Police Authority | 122.34 | 142.73 | 163.12 | 183.51 | 224.29 | 265.07 | 305.85 | 367.02 |
| Dorset Fire Authority | 43.56 | 50.82 | 58.08 | 65.34 | 79.86 | 94.38 | 108.90 | 130.68 |
| Christchurch Borough Council | 118.65 | 138.43 | 158.20 | 177.98 | 217.53 | 257.08 | 296.63 | 355.96 |

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Aggregate Amounts of Council Tax:

| Parish | Band | Band | Band | Band | Band | Band | Band | Band |
|--------------|----------|----------|----------|----------|----------|----------|----------|----------|
| | A £ | B £ | C £ | D £ | E £ | F £ | G £ | H £ |
| Burton | 1,071.12 | 1,249.64 | 1,428.16 | 1,606.68 | 1,963.72 | 2,320.76 | 2,677.80 | 3,213.36 |
| Hurn | 1,081.32 | 1,261.55 | 1,441.76 | 1,621.99 | 1,982.43 | 2,342.87 | 2,703.31 | 3,243.98 |
| Christchurch | 1,063.41 | 1,240.65 | 1,417.88 | 1,595.12 | 1,949.59 | 2,304.06 | 2,658.53 | 3,190.24 |

- 6 As set out within the Localism Act 2011 section 52ZB establishes a duty to determine whether a Council Tax increase is excessive. The Secretary of State will determine the principles to be used in each year. For 2013/14 this value is an increase of 2.00% or higher. The value of the increase for Christchurch is calculated as 1.95% and therefore the Council has determined that there is no excessive increase.

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Appendix B

Basic Council Tax

| Parish | Band | Band | Band | Band | Band | Band | Band | Band |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|
| | A £ | B £ | C £ | D £ | E £ | F £ | G £ | H £ |
| Burton | 126.36 | 147.42 | 168.48 | 189.54 | 231.66 | 273.78 | 315.90 | 379.08 |
| Hurn | 136.56 | 159.33 | 182.08 | 204.85 | 250.37 | 295.89 | 341.41 | 409.70 |
| Christchurch | 118.65 | 138.43 | 158.20 | 177.98 | 217.53 | 257.08 | 296.63 | 355.96 |

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Appendix C

Town & Parish Council Precepts

| Parish | 2012/13 | | | 2013/14 | | |
|--------------|------------------|--------------|--------------|---------------|--------------|--------------|
| | Precept | Tax Base | Band D (£) | Precept | Tax Base | Band D (£) |
| Burton | 19,000.00 | 1,645 | 11.55 | 16,982.00 | 1,469 | 11.56 |
| Hurn | 5,220.00 | 198 | 26.36 | 5,912.00 | 220 | 26.87 |
| Total | 24,220.00 | 1,843 | 13.14 | 22,894 | 1,689 | 13.55 |